

TARGET

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C-LINK SQUARED LTD:

NOT FOR THE FAINT OF HEART

Some key points, as far as this medium is concerned, points that pop up, prominently, on scanning the Share Offer Prospectus of C-Link Squared Ltd (Code: 1463, Main Board, The Stock Exchange of Hongkong Ltd) are:

- That Senior Management agreed to pay the record level of a Gross Underwriting Commission of 15 percent on the Aggregate Offer Price Per Share to the six Hongkong Underwriters;
- That the Company's Principal Bank, CIMB Bank Berhad of Malaysia, had rejected that which appears to have been an application from the Company to obtain further cash loans; and,
- Five days after the Company's Share Offer Prospectus had been published and disseminated in the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)**, a dividend in the amount of about 13 million ringgit (about \$HK24.57 million) was awarded to the (then) two lone shareholders of the Company.

In the opinion of **TARGET** (), one might find it exceedingly difficult to be endeared to the Management of

this Company after being apprised of the above-mentioned, three points.

But there is, still, a large number of other matters, albeit somewhat less-spectacular than the above-mentioned, that this medium has unearthed on careful examination of the Company's 508-Page Share Offer Prospectus.

The Initial Public Offering (IPO) Of C-Link Squared Ltd

C-Link Squared Ltd published and disseminated its Share Offer Prospectus in the HKSAR on Tuesday, March 17, 2020.

The Management of the Company was desirous of selling 200 million, one-cent Shares at the Indicative Offer Price Per Share, ranging from a low of 63 cents to a high of 73 cents.

A Public Offer Shares tranche, comprising 20 million Shares, was obviously aimed at enticing HKSAR Investors to find a home for some of the Shares on Offer, while the remaining 180 million Offer Shares were, clearly, reserved for Institutional Investors, Professional Investors and select, Well-Heeled Investors, along with their corporate entities in which this class of investor had equity control, via Share Placements (the Placing Offer Shares tranche).

On Thursday, March 26, 2020, Management announced that the Offer Price Per Share had been struck at the lowest level of the Indicative Offer Price, to wit, 63 cents.

Based on this Offer Price Per Share, Management stated that it anticipated, netting about \$HK75.80 million from the Share Offer.

With regard to the Public Offer Shares tranche, the Announcement of the Offer Price and the Allotment Results stated that Management had received applications for a total of 222,928,000 Offer Shares, representing about 11.15 times the total number of 20 million Public Offer Shares, initially available under this tranche.

As for the Placing Offer Shares tranche, Management stated that this tranche had been '*slightly over-subscribed*', the total number of subscriptions for Offer Shares, '*under the Placing was 193,150,000 Placing Shares, equivalent to approximately 1.07 times the total number of 180,000,000 Placing Shares initially available for subscription under the Placing.*'

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